


Affordable Housing Task Force



August 26, 2008 Agenda

- ◆ Welcome & Task Force's Work
 - ◆ Introduction of Members & Staff
 - ◆ Comp Plan Process
 - ◆ Raleigh's Housing Needs
 - ◆ Summary of City Programs
 - ◆ Questions & Answers
 - ◆ Next Meetings, Next Steps
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The Tasks for the Task Force

- ◆ Reviewing affordable housing needs and issues identified during the Comprehensive Plan Process
- ◆ Reviewing the existing Housing Element and current City of Raleigh Housing programs and resources
- ◆ Reviewing best practices in other jurisdictions.
- ◆ Submitting recommendations on potential affordable housing strategies to City Council
- ◆ Reviewing the Draft Comprehensive Plan, including the Community Inventory and the Housing Element.

Comp Plan Process



PLANNING the City of Raleigh for the Next Generation

The Department of City Planning will be leading the effort to update the City's Comprehensive Plan. Three rounds of large public meetings will be held at different locations across the city in November 2007, March 2008 and November 2008. Roundtable discussions will also be held throughout the process to focus on specific issues and opportunities facing the city. There will be periodic meetings with the City Planning

Commission and City Council to provide updates and obtain feedback. A draft Comprehensive Plan is scheduled to be published in October 2008. A final draft plan will be published in January 2009 with City Planning Commission and City Council public hearings to follow. The roundtable discussions and the City Planning Commission and City Council meetings will be open to the public.



1 RESEARCH THE PLAN

- Collect all citywide plans and policies
- Conduct an audit of the existing plans and policies
- Document existing conditions
- Prepare base maps

2 DEFINE THE PLAN

- Evaluate data
- Analyze trends
- Identify key themes
- Meet with the public
- Establish vision framework

3 DEVELOP THE PLAN

- Incorporate public input
- Develop policy options and recommendations
- Develop maps and other illustrations
- Meet with the public

4 REFINE THE PLAN

- Release Draft Plan for public comment
- Meet with the public
- Incorporate changes

5 ADOPT THE PLAN

- Public Review Draft
- City Council and City Planning Commission hold public hearings
- Adopt and finalize the Plan

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Inter-Agency
Working Group
Kickoff

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Consultant
Kickoff

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Public
Kickoff



Citywide
Workshops



Citywide Workshops



Citywide Workshops

PLANNING
Raleigh 2030
planningraleigh2030.com



Roundtables



Roundtables



Joint Planning
Commission/
City Council
Work Session



Planning Commission
Work Session & Hearing



Joint Planning
Commission/
City Council
Work Session



Planning Commission
Hearings



City Council
Hearings



City Council
Adoption

JAN FEB MAR APR MAY JUNE JULY AUG SEPT OCT NOV DEC 2007
JAN FEB MAR APR MAY JUNE JULY AUG SEPT OCT NOV DEC 2008
JAN FEB MAR APR MAY 2009

Milestones

- ✓ November Workshops: "Vision and Values"
 - ✓ November Workshop Report
 - ✓ Work session with City Council & Planning Commission
 - ✓ Small group and community meetings
 - ✓ Draft Community Inventory Report
 - ✓ Revised Vision Statement
 - ✓ March Workshops: Strategies
 - ✓ March Workshop Report
 - ✓ Policy Audit
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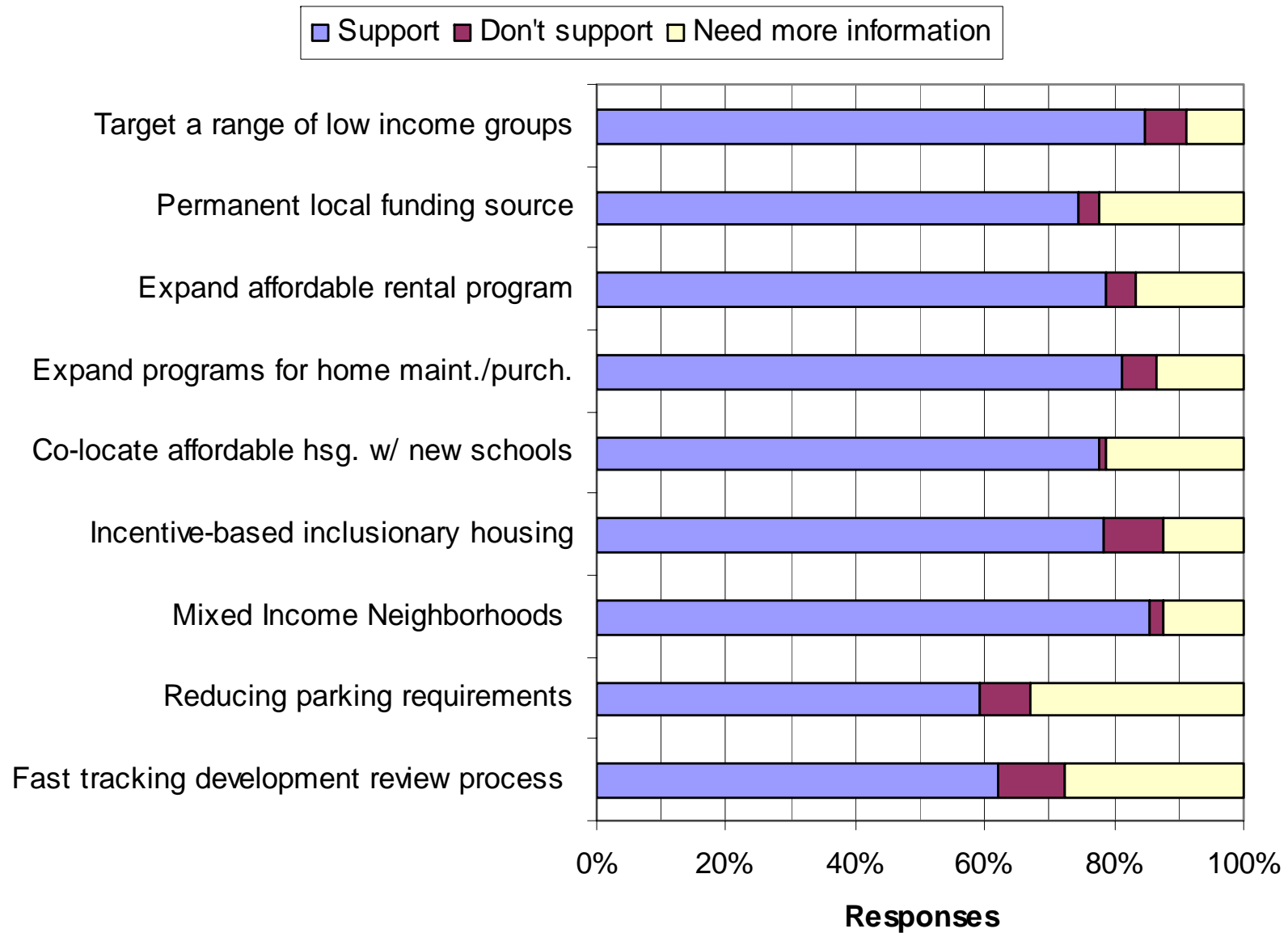
Next Steps

Item	Tentative Dates
Public Review Draft released	October 29
Public workshops on the Draft	November 18 – 20
Close of comment period	December 31
Plan revisions	January 2009
Public Hearing on the Plan	Early February 2009

Key Issues from the Community Inventory

- ◆ The Raleigh Housing Authority's waiting lists are nearly 8,000 people strong.
- ◆ Among households with incomes of less than \$50,000, 40,000 (60 percent) are cost-burdened.
- ◆ The abundance of vacant and closed houses discourages investment in affected neighborhoods.
- ◆ The status of existing redevelopment plans in relation to the Comprehensive Plan is uncertain.
- ◆ Additional strategies are needed to encourage private developers to include affordable rental and for-sale units in new housing developments.

Housing Choices

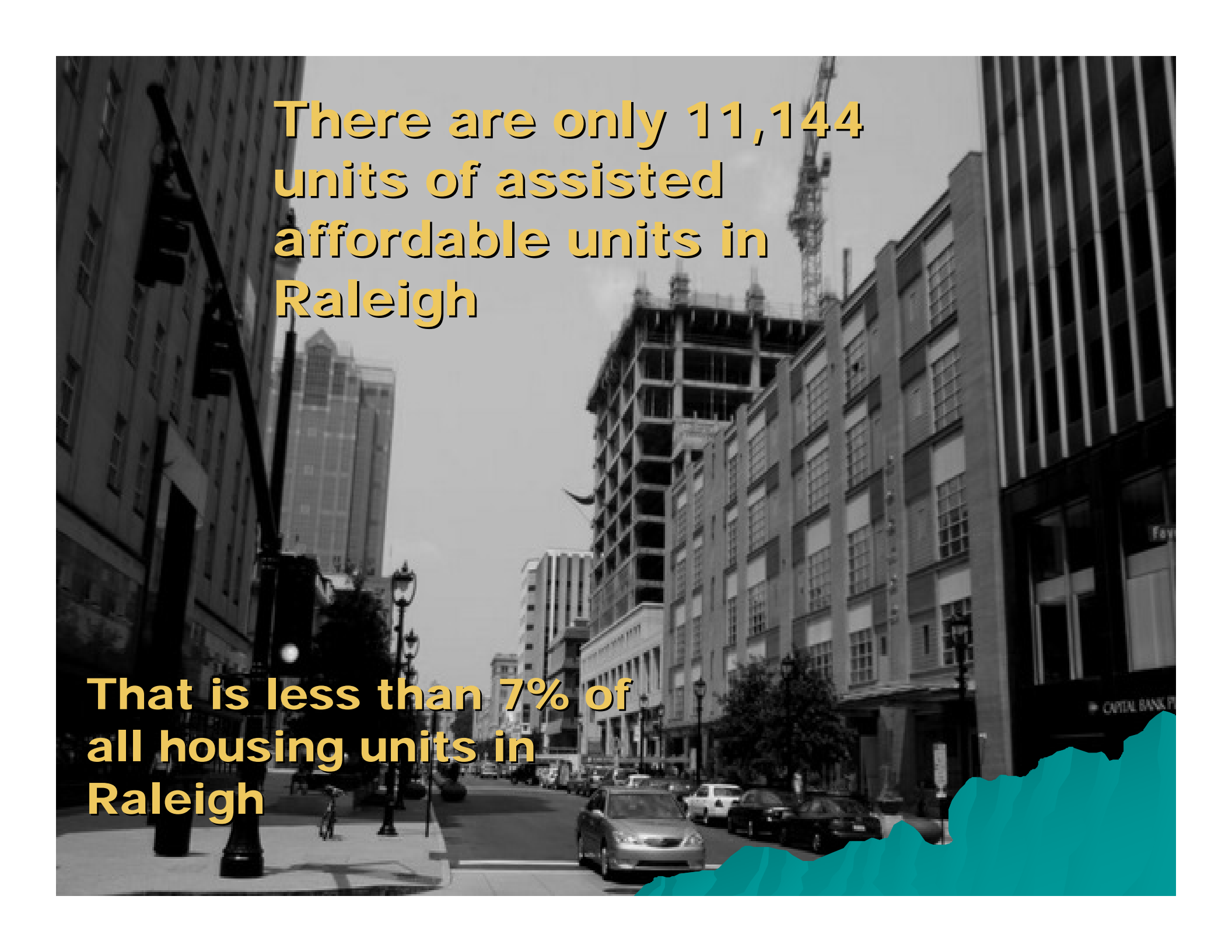


Implications for the Comprehensive Plan

- ◆ The Housing element of the plan should contain policies that support the **preservation of existing older homes** as a means of maintaining affordable, context friendly housing in existing neighborhoods.
- ◆ It should also include an action item to determine the best approach for creating and implementing an **inclusionary housing program**.
- ◆ The Housing element should include policies that encourage an increase in **affordable housing stock throughout the city**.
- ◆ Policies that promote **sustainable, transit-accessible development** should be a part of both the Housing and Land Use elements.


Raleigh Housing Needs





There are only 11,144
units of assisted
affordable units in
Raleigh

That is less than 7% of
all housing units in
Raleigh



26,583
households in
Raleigh are cost
burdened

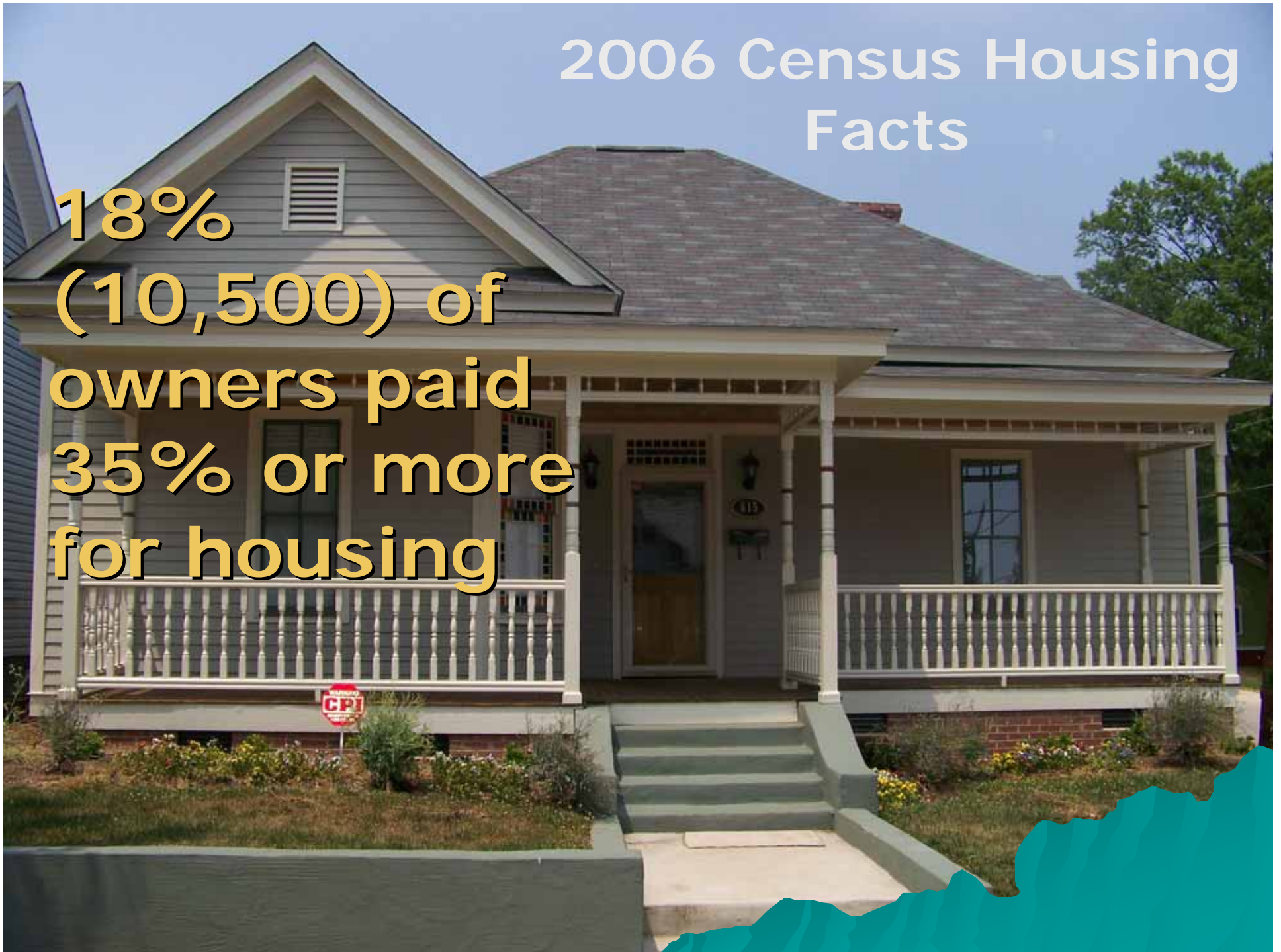
2006 Census Housing Facts



40% (24,523) of the City's
renter households paid
35% or more of income for
housing

2006 Census Housing Facts

**18%
(10,500) of
owners paid
35% or more
for housing**



Housing Facts for Raleigh

- ◆ Current supply, LIHTC apartments: 1,844
- ◆ Current supply, public housing units: 1,592
- ◆ Waiting List, public housing: 2,042 families
- ◆ Current supply, Sec. 8 vouchers: 3,580
- ◆ Waiting List, Sec. 8 voucher: 5,864 families


Housing Facts for Raleigh

- ◆ Median Sales Price in 2007:
\$182,500
- ◆ 3,063 (32%) were \leq \$150,000.
- ◆ The lowest median sales price in 2007 was in zip code 27606 at \$117,500; it was \$241,000 in 27601

City of Raleigh Housing and Revitalization Programs

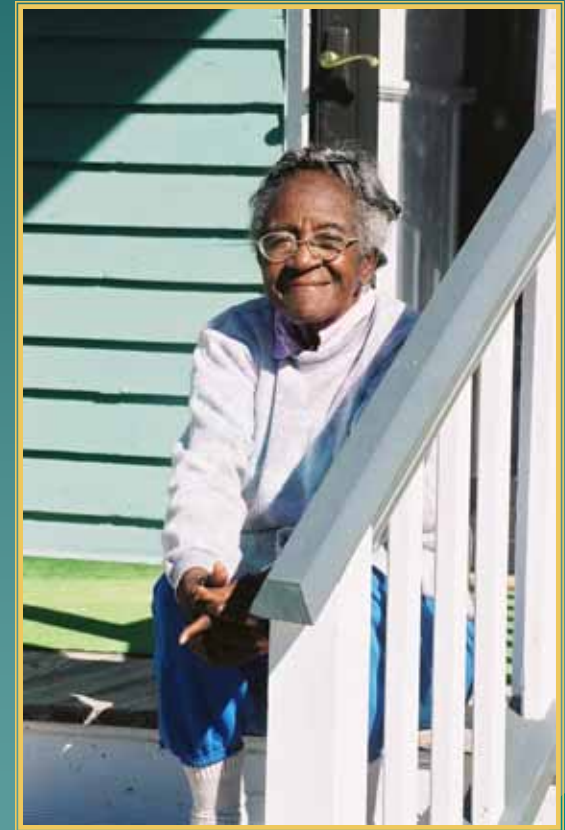


Annual Housing Planning Process

- ◆ Five-Year Consolidated Plan includes Citizen Participation Plan, housing market analysis, goals, strategies for addressing housing needs.
 - ◆ Annual Action Plan
 - ◆ Analysis of Impediments (AI) to Fair Housing Choice
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Categories of CD Programs

- Neighborhood Revitalization
- Housing for:
 - Low-income renters
 - First-time homebuyers
 - Homeowners needing rehab
 - People with special housing needs, such as homeless, disabled, frail elderly




HUD Income Levels – 2008

Family Size	1	2	3	4	5	6	7	8	
Percent of Area Median Income									Source
10%	\$5,240	\$5,990	\$6,740	\$7,490	\$8,090	\$8,690	\$9,290	\$9,890	City
20%	\$10,480	\$11,980	\$13,480	\$14,980	\$16,180	\$17,380	\$18,580	\$19,780	City
30%	\$15,700	\$17,950	\$20,200	\$22,450	\$24,250	\$26,050	\$27,850	\$29,650	HUD
40%	\$20,960	\$23,960	\$26,960	\$29,960	\$32,360	\$34,760	\$37,160	\$39,560	NCHFA
50%	\$26,200	\$29,950	\$33,700	\$37,450	\$40,450	\$43,450	\$46,450	\$49,450	HUD
60%	\$31,440	\$35,940	\$40,440	\$44,940	\$48,540	\$52,140	\$55,740	\$59,340	NCHFA
70%	\$36,680	\$41,930	\$47,180	\$52,430	\$56,630	\$60,830	\$65,030	\$69,230	City
80%	\$41,950	\$47,900	\$53,900	\$59,900	\$64,700	\$69,500	\$74,300	\$79,050	HUD

CD FY 2008-2009 Budget

◆ CDBG Funds Redevelopment/Revitalization/Rehabilitation	\$3,743,263
◆ HOME Funds Rehab/Joint Ventures	\$2,070,099
◆ City Capital Budget (Bond)	\$4,625,000
◆ Other City Appropriations	\$1,525,490
◆ State of NC Appropriations	\$ 75,000
TOTAL	\$12,038,852

City Housing Programs

- ◆ City-owned Rental Units
 - ◆ Second Mortgages for First-Time Homebuyers
 - ◆ Rehabilitation
 - ◆ Joint Venture Developments
 - ◆ Support of Nonprofits
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City Owned Rental Units

- ◆ 185 units scattered throughout the city, mostly in rental communities
- ◆ Privately managed and maintained
- ◆ Serves low-income renters
- ◆ Rents range \$350 - \$500



Hodges Creek

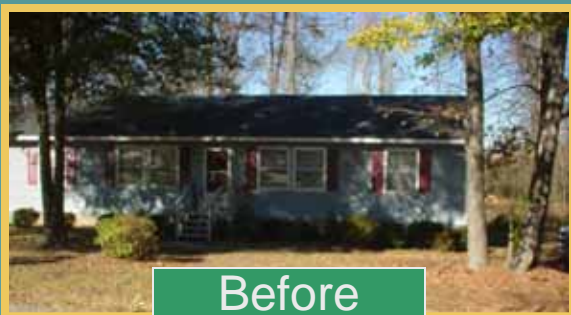
Second Mortgage Assistance

- ◆ Citywide low interest \$20,000 for first time buyers
- ◆ OWNER program offers up to \$30,000 zero-interest for purchases in center of city
- ◆ City also offers purchase + rehab option
- ◆ Counseling required



Housing Rehabilitation

- ◆ Forgivable Loan “Pilot” Program has proven to be very popular: up to \$45,000 with no payments after 15 years in center city neighborhoods
- ◆ Other rehab options: code violations can be addressed, non-Pilot option citywide low-interest loan



“Joint Venture” Projects

- ◆ JVR program provides funding for new affordable housing citywide in two annual competitions
- ◆ For-profits and nonprofits, rental or homeownership
- ◆ Rehab of existing units also eligible
- ◆ Partnership with banks, Wake County, low income housing tax credits, etc.

Support of Nonprofits

- ◆ CHDO set-aside
- ◆ Wake County Continuum of Care
- ◆ Annual Nonprofit Development RFP
- ◆ Annual non-housing Community Enhancement competition

Infill Housing in Raleigh



**East Martin
Street**

**South Bloodworth
Street**



Affordable Housing Downtown

Prairie Building
Gateway Park
Carlton Place
Murphey's School



Affordable Housing Downtown



Chavis Heights
HOPE VI

Capitol Park
HOPE VI



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2001-2007 City Housing Investments

- ◆ Joint Venture Developments: 847 units
- ◆ Rehab Loans: 168
- ◆ Second Mortgages: 281
- ◆ City Owned Rentals Purchased: 40



Next Meetings

- ◆ September 23
 - ◆ October 28
 - ◆ November 17
 - ◆ December 16
 - ◆ January 20
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Administrative Issues



How to Move Forward

- ◆ Preservation of Affordable Housing
- ◆ Affordable Housing Production
- ◆ Housing for Special Populations
- ◆ Addressing Rental Housing Needs
- ◆ Addressing needs of Owners and Buyers

Additional Reading

- ◆ www.raleighnc.gov, Departments, CD, Publications, Consolidated Plan, pp. 13-70
- ◆ <ftp://ftp.tjcog.org/pub/tjcog/regplan/affordliv/hotrept.pdf>
- ◆ Locally Initiated Inclusionary Zoning Programs: A Guide for Local Governments in North Carolina and Beyond, 2004 www.ioq.unc.edu/ Publications